

U.S. Department of Justice
United States Attorney
Western District of New York

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PRESS RELEASE

June 22, 2004

CORPORATION CONVICTED FOR FALSE TACTICS

RE: UNITED STATES v. HALE NORTHEASTERN, INC.

United States Attorney Michael A. Battle announced today that Hale Northeastern, Inc. 250 Mill Street, Rochester, New York 14614, was sentenced by the Honorable Michael A. Telesca, United States District Court Judge, to pay a \$6,000 fine in connection with its guilty plea on June 15, 2004 to a felony charge of mail fraud, in violation of Title 18, United States Code, Section 1341, carrying a maximum penalty of a fine of \$500,000.

Assistant U.S. Attorney Richard A. Resnick, who handled the case, stated that Hale Northeastern, Inc. is a trade show general contractor which, among other things, installs and provides exhibit booths and other items for customers at trade shows. On or about November 14, 2002, an employee from Hale Northeastern, Inc., prepared a request for a price quote and made it appear that the request was being submitted by

the International Quilt Association in Houston, Texas. The Hale Northeastern, Inc. employee then sent the false request for a price quote to Great Lakes Events, a competitor of Hale Northeastern, Inc., located in Rochester. The intent of the request was to mislead Great Lakes Events into providing its pricing information to Hale Northeastern, Inc., a direct competitor of Great Lakes Events.

As a result of the fictitious price quote request, on or about November 25, 2002, Great Lakes Events sent through the United States mails its pricing information to Hale Northeastern, Inc. Hale Northeastern, Inc. fraudulently obtained this information so that it could gain an unfair competitive advantage over Great Lakes Events when bidding on the same jobs.

The plea was the culmination of a joint investigation on the part of the United States Postal Inspection Service, under the direction of William E. Kezer, Postal Inspector in Charge of the New York Division.

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